XE – EXPENDITURE REFUND ADJUSTMENT TRANSACTION

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ICONS

Throughout this adjustment section are explanations of the procedure as well as procedural steps. Also, there are decision-making options for times when the user has to make a decision based on his/her business needs. As an aide, there are three (3) icons on the left to help you quickly identify the text. The icons are:



? = Decision

= Procedural Steps

I. Overview

Expenditure Refund (XE) Overview



The expenditure refund (XE) transaction is a user entered document that allows a department to put money paid in error back into the appropriation. The XE operates in tandem with a Payroll Refund Receipt Voucher. The XE will adjust both the accounting information in MMARS and labor history in PCRS.

When to Perform An XE



An XE transaction, along with a Payroll Refund Receipt Voucher (Figure 1), needs to be completed any time money has been returned. Specifically:

- Payment has been processed. The department has discovered the error and intercepts the check or requests a direct deposit reversal from Treasury.
- The employee returns some money even if s/he is on payroll.
 (EX.: Included in the employee's normal pay was a \$1000 bonus given by mistake.)
- A terminated employee was paid in error. S/he returns all the money. NOTE: The department is responsible for performing the XE adjustment transaction in PCRS. The Payroll Department at CTR will enter the adjustment in HRCMS.

Please refer to the *Payroll Expenditure Policy Manual* for the complete payroll accounting policy.

When NOT to Perform An XE



As long as an employee is being paid, money can be recovered via prior period adjustments (PPA's) in HRCMS. This eliminates the need for departments to get money back from the employee. With PPA's:

- Input of adjustments in HRCMS will result in the next payroll reflecting the adjustment.
- PCRS labor history will reflect the net adjusted payroll.
- MMARS is updated with the same adjustment to expenditures.

I. Overview

Payroll expenditure refunds (XE's) require intervention from:

Comptroller Review Process for the XE



- Department of Treasury (TRE)
- Department of freasury (TRL)
- Office of the State Comptroller (CTR), Accounting and Payroll Bureaus3

Due to this intervention, all expenditure refunds (XE's) without errors automatically go to a PEND status when edited online in PCRS.

Payroll Refund Receipt Voucher



When departments enter a payroll expenditure refund (XE) in PCRS, it is imperative to correct the employee's retirement contributions and year-to-date tax totals. Tax reporting adjustments for TRE and retirement adjustments for the State Retirement Board are corrected from information the department records on a Payroll Refund Receipt Voucher. (Refer to Figure 1 for a sample of the Voucher.) The Comptroller's Office will correct the year-to-date balances.

Once departments enter the payroll XE in PCRS, they need to complete the Payroll Refund Receipt Voucher and forward a screen print of the XE and three copies of the Refund Receipt Voucher to the State Retirement Board. The State Retirement Board will: (1) make the necessary adjustments to the employee's retirement contribution totals, and (2) forward the documents to the Treasurer's office. (Please refer to MMARS Memo #296 [Figure 2] for cash deposit/banking instructions.) Treasury will notify the Comptroller's Accounting Bureau when they receive the cash. Accounting will review the XE documents and approve the XE online.

```
Enter a selection or press <PF12> for main menu.
VADJTM00 **** P C R S **** (SYSTEM TEST) TEST: Work In Progress
                                                                   9/26/2000
CTRAEY
                      Adjustments Subsystem Menu
                                                                     1:21 PM
 Doc-Id Number: 1270001
  Selection: AXE (A Add, M Modify, V View)+ Transaction Type, L for Inquiry List
                   Holding File Inquiry List Status: _
                   XF - Insufficient Funds Correction
                   XD - Payroll Data Correction
                   XA - Expenditure Correction
                   XE - Expenditure Refund
                   XC - Prior Year Refund
                   XU - User/Sect; Earn Code/Hours
 Dept: XYZ Org: 1000
                                           Pay Period End Date: 08 19 2000
                                                         SSN: 200 32 0032
                                                  Employee ID: _
Enter-PF1---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10--PF11--PF12---
Done Help
                 Exit
                                                    Prior
```

Adjustments Subsystem Menu screen

In the Adjustments Subsystem Menu screen, complete the following fields:

Adding an XE Transaction





DOC – ID FIELD

The first four (4) characters of the Doc-Id Number field are pre-filled with the last number of the fiscal year and the Julian date. This field can be changed to meet your department's needs by simply overwriting the characters that are inferred. If you decide to leave the 4 pre-filled characters in place (BFY & Julian date), you need to **fill in the remaining three (3) characters of the Doc-Id** with a sequential number, e.g., 001, 002, 003, etc., or some other code that meets your department's needs.

SELECTION FIELD

In the **Selection Field** type **<A>** for ADD and **<XE>** to identify the transaction code to be entered, in this case, an expenditure refund.

↑ DEPT AND ORG FIELDS

At the bottom of the screen the **Dept** and **Org** fields are pre-filled with your MMARS department and organization code. Based on security, these fields can be modified.

A PAY PERIOD END DATE FIELD

The **Pay Period End Date** is pre-filled with the most recent Saturday pay period ending date for which payroll was processed. This field is modifiable to accommodate the user's needs.

Enter the **Pay Period End Date** (Saturday period ending date) that the XE is for. It must be from the current fiscal year.

Note: Since an expenditure refund can span several pay periods, it is possible that several XE's will need to be processed to complete the total refund.

SSN AND EMPLOYEE ID FIELDS

Enter the employee's **Social Security Number** in the **SSN** field or **Employee ID** in the **Employee ID** field. The system will retrieve that employee's labor distribution record for the designated pay period end date.

Press **<ENTER>**.

Response:

VADJTM05 CTRAEY		Maintain nditure Re	Adjustme	ment (XE)	
	·			Empl Id: PCRS2003 b Prog Ty Prj/Cl/Grc A	ctv Rptg
	XYZ 75040100 AA	1000	A01		ECCC
	_ Amt: 1770.00	Etyp: REG	Lock:	Pos:	00222003
	XYZ 75040100 AA	1000	80A		
	_ Amt: 70.80			Pos:	00222003
	XYZ 75040101 AA				
	_ Amt: 1180.00			Pos:	00222003
	XYZ 75040101 AA				
	_ Amt: 47.20	Etyp: OTS	Lock:	Pos:	00222003
	_ Amt:	Etyp:	Lock:	Pos:	
	_ Amt:	Etyp:	Lock:	Pos:	
Enter		PF8			PF12-
Done		Frwd			Cncl

Maintain Adjustments Expenditures Refund Document (XE) screen with Select Labor History Pop-Up Window

NOTE: If there is no Employee ID for an individual labor history, the message "No ID Found" will appear where the Employee ID would appear.



The usual processing of an XE is a refund for the total dollars paid to an employee during one pay period. However, you have the ability to enter a refund amount for any value up to this amount. This is done through the step referred to as "tagging" labor history.

Tagging Labor History for an XE Document

SUBSYSTEM MENU – SSN OR EMPLOYEE ID ENTERED

If you entered the employee's Social Security Number or Employee ID in the Adjustments Subsystem Menu screen, you will be presented with a pop-up window when you first enter the XE document. This window shows that employee's labor history record for the given pay period. (Please refer to previous screen for an example.)

SUBSYSTEM MENU – SSN OR EMPLOYEE ID **NOT** ENTERED If you did not enter the employee's Social Security Number or Employee ID in the Adjustments Subsystem Menu screen:

CTRAEY	*** (SYSTEM TEST) TEST: Work Maintain Adjustments xpenditure Refund Document (XE	1:31 PM
Pay Prd End: 08 19 2000	.1: _ MMARS Over: Acctg Prd :	Budget FY:
Original ID:	Bank Code :	
Payee Code	Description	Line Amount I/D
01 200320032		
02		
03		
PP1 PP2 PP3		DEC DE10 DE11 DE10
	PF4PF5PF6PF7PF8	
Done Helb Delet Exit	VuSel Errs Selct Back Frwd	Prior Menu

- 1. **<TAB>** down to the **Payee Code** (Social Security Number field) in the XE document.
- 2. Enter employee's Social Security Number.
- 3. Press **<F6>** or **<Alt>** and **<6>**.

Response:

VADJTM05 **** P C R S **** CTRAEY	Maintain	Adjustments	_			
Expe		fund Document abor History				
•	Name: Smith, John SSN: 200-32-0032 Empl Id: PCRS2003 Refund Dpt Approp/ Sub Fund Org/ Sb Obj/Sb Prog Ty Prj/Cl/Grc Actv Rptg					
XYZ 75040100 AA	1000	A01		ECCC		
Amt: 1770.00	Etyp: REG	Lock:	Pos:	00222003		
XYZ 75040100 AA	1000	A08				
70.80 Amt: 70.80			Pos:	00222003		
XYZ 75040101 AA						
Amt: 1180.00			Pos:	00222003		
XYZ 75040101 AA						
Amt: 47.20	Etyp: OTS	Lock:	Pos:	00222003		
Amt:	Etyp:	Lock:	Pos:			
Amt:	Etyp:	Lock:	Pos:			
Enter	PF8			-PF12-		
Done	Frwd			Cncl		



Note: Tagging labor history is a required function in the XE. It is used to process a refund for amounts less than or equal to the total amount earned for that pay period.



If the employee has numerous earnings codes for a given pay period, they will be listed separately in this window.

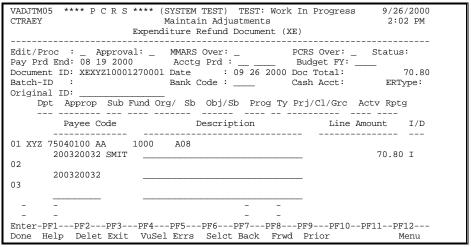


- 1. Select the earnings codes you wish to post the refund to.
- 2. Enter the dollar amount in the **Refund** field. Refund amount is **required** to process the XE.
- 3. Press **<ENTER>.**

Posting Refunds to Different Earnings Codes



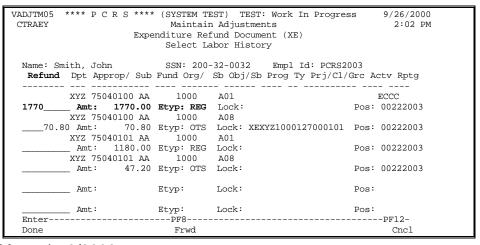
You can post refund amounts to more than one (1) earnings code for an employee in one (1) XE document. Refund amounts with the same object code can be tagged and combined on one (1) increase line. Refund amounts with different object codes must be tagged to additional increase lines in the XE document.



To add additional increase lines the XE must be in HOLD status.

- 1. **<TAB>** down to the Payee Code field.
- 2. On the second line, enter the employee's Social Security Number.
- 3. Press **<F6>** or **<Alt>** and **<6>**.

Response:



- 4. Select the labor history you wish to post the refund amount to and enter dollar amount in the **Refund** field.
- 5. Press **<ENTER>.** Response:

	SYSTEM TEST) TEST: Work Maintain Adjustments iture Refund Document (XE	2:06	
Edit/Proc : _ Approval: _ Pay Prd End: 08 19 2000 Document ID: XEXYZ10001270001 Batch-ID : Original ID: _ Dot Approp Sub Fund Or	Acctg Prd : Date : 09 26 2000 D	Budget FY: Doc Total: 184 Cash Acct: ERTy	10.80 pe:
	Description		
01 XYZ 75040100 AA 1000 200320032 SMIT		70.80	 I
02 XYZ 75040100 AA 1000 200320032 SMIT	A01	ECCC 1770.00	I
		_	
		DE0 DE10 DE11 DE1	0
Enter-PF1PF2PF3PF4 Done Help Delet Exit VuSel			.2 enu



The refund dollar figure appears in the **Doc Total** and **Line Amount** fields. The dollar figure in the line amount field is the amount to be refunded.

Response:

VADJTM05 **** P C R S **** (SYSTEM TEST) TEST: Work In Progre CTRAEY Maintain Adjustments Expenditure Refund Document (XE)	ess 9/26/2000 2:06 PM
Edit/Proc : _ Approval: _ MMARS Over: _ PCRS Over: Pay Prd End: 08 19 2000	Y: 2001 1840.80 :: ERType:
Payee Code Description Lir	ne Amount I/D
01 XYZ 75040100 AA 1000 A08 200320032 SMIT	70.80 I
03	1770.00 1
Enter-PF1PF2PF3PF4PF5PF6PF7PF8PF9PF1 Done Help Delet Exit VuSel Errs Selct Back Frwd Prior	

Maintain Adjustments Expenditure Refund Document screen After Tagging Labor History

Required XE Header Fields



In the XE Document Header Line, enter the **Current Budget Fiscal Year** and <9999> in the **Bank Code** field. These fields are required. You are now ready to edit the document for errors.

NOTE: The Bank Code is always 9999.

III. Editing the XE Document

		n Progress 9/26/2000 2:06 PM			
Edit/Proc : P Approval: _ MMARS Over: _ PCRS Over: _ Status: Pay Prd End: 08 19 2000 Acctg Prd : _ Budget FY: 2001 Document ID: XEXYZ01270001 Date : 09 26 2000 Doc Total: 1840.80 Batch-ID : Bank Code: 9999 Cash Acct: ERType: Original ID: _ Dot Approp Sub Fund Org/ Sb Obj/Sb Prog Ty Prj/Cl/Grc Acty Rptg					
Payee Code	Description	Line Amount I/D			
01 XYZ 75040100 AA 1000 200320032 SMIT 02 XYZ 75040100 AA 1000 200320032 SMIT	A01	70.80 I ECCC 1770.00 I			

Maintain Adjustments Expenditure Refund Document screen After Tagging
Labor History

Editing the XE Document



In the Edit/Proc field, enter either a <P> (transaction not scheduled)
 OR

an **<O>** (transaction scheduled for nightly batch cycle).

Both the <P> and the <O> will invoke PCRS edits and put the document in a PEND status.

2. Press **<ENTER>**.

If the XE document passes all PCRS edits, it will go to a PEND status for Comptroller's review.

III. Editing the XE Document

VADJTM05 **** P C R S **** (SYSTEM TEST) TEST: Work CTRAEY Maintain Adjustments Expenditure Refund Document (XE	2:21 PM
Edit/Proc : _ Approval: _ MMARS Over: _ F Pay Prd End: 08 19 2000	Budget FY: 2001 Ooc Total: 1840.80 Cash Acct: 0102 ERType:
Payee Code Description	Line Amount I/D
01 XYZ 75040100 AA 1000 A08 200320032 SMIT	70.80 I ECCC 1770.00 I
-**-Document ready for approval	

Releasing Labor History Tags





You have the ability to release labor history tags from an adjustment transaction. When you release tags, it unlocks the specific labor history that you tagged in the document and saves any data entered on the increase/decrease lines. Putting an "R" in the **Edit/Proc** field and pressing **<ENTER>** will release tagged labor history for that document and put it in a HOLDR (document held, tagged labor history removed) status.

Modifying An XE Transaction



Based on security, the user has the ability to modify an XE transaction in the PCRS Holding File if it has not been processed to a **DONE** status. First put the document in HOLD status. When modifying an XE, you must enter the same Doc-Id number, Department and Organization as the original XE.

In the Adjustments Subsystem Menu, complete the following fields:

DOC-ID

In the **Doc-Id** field, enter the seven (7) character doc-id number needing modification.

SELECTION

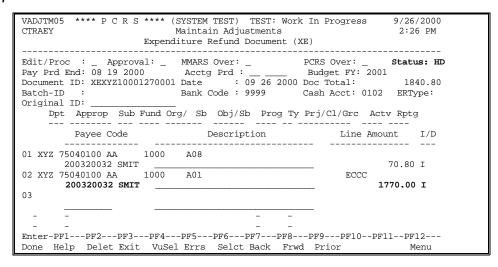
In the **Selection** field, type **<MXE>** (Modify XE).

DEPT AND ORG

Dept and **Org** fields (bottom left of the screen) are pre-filled with your MMARS department and organization code. Based on security, these fields can be modified.

Press < ENTER >.

Response:



Maintain Adjustments Expenditure Refund Document (XE) screen

- 1. Place the cursor anywhere on the **Increase** line being modified.
- 2. Press **<F6>** or **<Alt>** and **<6>** (**Selct/**Select Labor History).

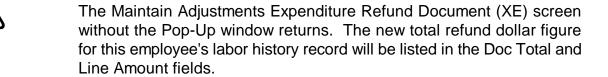
Response:

VADJTM05 **** P C R S **** CTRAEY Expe	Maintain enditure Ref	·	Progress 9/26/2000 2:26 PM			
-	Name: Smith, John SSN: 200-32-0032 Empl Id: PCRS2003 Refund Dpt Approp/ Sub Fund Org/ Sb Obj/Sb Prog Ty Prj/Cl/Grc Actv Rptg					
XYZ 75040100 AA	1000	A01	ECCC			
1000.00 Amt: 1770.00	Etyp: REG	Lock: XEXYZ10001270	00102 Pos: 00222003			
XYZ 75040100 AA	1000	80A				
70.80 Amt: 70.80	Etyp: OTS	Lock: XEXYZ10001270	00101 Pos: 00222003			
XYZ 75040101 AA	1000	A01				
Amt: 1180.00			Pos: 00222003			
XYZ 75040101 AA						
Amt: 47.20	Etyp: OTS	Lock:	Pos: 00222003			
Amt:	Etyp:	Lock:	Pos:			
Amt:	Etyp:	Lock:	Pos:			
Enter	PF8		PF12-			
Done	Frwd		Cncl			

Maintain Adjustments Expenditure Refund Document (XE) screen Pop-Up Window

NOTE: This pop-up screen lists the chosen employee's labor history and refund amount for the given pay period. This is the screen where you can modify the XE refund amount.

- 1. **<TAB>** to the Refund line to be modified.
- 2. Enter the correct amount (e.g. \$1000 for object code A01).
- 3. Press **<ENTER>.**



VADJTM05 **** P C R S **** (SYSTEM TEST) TEST: Work In Progress 9/26/2000 CTRAEY Maintain Adjustments 2:30 PM Expenditure Refund Document (XE)					
Edit/Proc : _ Approval: _ MMARS Over: _ PCRS Over: _ Status: HD Pay Prd End: 08 19 2000					
Payee Code	Description	Line Amount I/D			
01 XYZ 75040100 AA 1000 200320032 SMIT	80A	70.80 I			
02 XYZ 75040100 AA 1000 200320032 SMIT		ECCC 1000.00 I			
03					
		-			
Enter-PF1PF2PF3PF4PF5PF6PF7PF8PF9PF10PF11PF12					
Done Help Delet Exit VuSe	l Errs Selct Back Frwd 1	Prior Menu			

- 1. Re-edit the document by placing the cursor in the **Edit/Proc** field.
- 2. Enter either a **<P>** to invoke PCRS edits only or an **<O>** to invoke PCRS edits and put the document in a PEND status.
- 3. Press **<ENTER>**.



Any PCRS errors will appear one at a time at the top of the screen. Depending on security clearance, errors can be corrected by changing the "I" line. If there are no errors, the Adjustments Subsystem Menu screen appears.

Once the XE is in PEND status, it requires approval from the Comptroller's Accounting Bureau before it can be scheduled for batch processing.

Figure 1 Payroll Refund Receipt Voucher				
		(9) Terrat Barrate (57 + (6) + (7) + (8)		
		CEARGE STATE W/T FUND		i
R Spending Agency	Agency Voucher No Receipt Account No Account Name Checks Cash Total (col. 3)	CEFUND (7) CRANGE FEDERAL W/T FUND		
E.R. Spending	Agency Voucher Fund	(6) Charge Annutring Fund	O C C C C C C C C C C C C C C C C C C C	
usetts 70UCHI		(5) Net From Employees (3) Minus (4)		
lassachi IPTS V	4)	(4) New CRECKS DUE EMPLOYEES		
realth of ANO RECE	indicated (col. indicated (tol. indicated (tol	(3) Amount Received		
PAYROLL REFUR Treasurer and Receiver-General: nereby certify under the penalties of per	of overpayments, have been made fron your of (col. 3)	(2) EXPLANATION		OBJECT CODE \$
5M-11-79-152357 TITUTION To the I h	account the amo New ch New Co Net Co The Am should amount Fee Fee Sta Total R	VED		5 ×
Form CD-28A 15M-11-79-152357 AGENCY OR INSTITUTION To the	TIME STAMP	(1) FROM WHOM RECEIVED	ACTIVITY	DIT ACCOUNT CREDIT RECEINT
2		щ		CREDIT

Figure 2 MMARS Memo #296



COMPTROLLER

The Commonwealth of Massachusetts
Office of the Comptroller
One Ashburton Place, Room 901
Boston, Massachusetts 02108

Phone: (617) 727-5000 Fax: (617) 727-2163 www.state.ma.us/osc/osc.htm

To: Chief Fiscal Officers, MMARS Liaisons

From: Martin Benison, Comptroller

Date: April 21, 2000

Re: Procedure for Using Bank Sweep Accounts for Deposits MMARS Memo #296

I. GENERAL

This memo replaces MMARS Memo #227 concerning the processing of:

- 1. Non-Payroll Expenditure Refunds (ER)
- 2. Contract Backout Refunds (CB)
- 3. Advance Returns (AR)
- 4. PCRS Expenditure Payroll Refunds (XE)
- 5. PCRS Prior Year Payroll Refunds (XC)
- 6. Cash Transfers (CT) to Fund 100 (Federal Grant Fund).

This memo is divided into four additional sections: II. Depositing Checks/Sweep Accounts; III. Non-Payroll ER, CB, AR transactions; IV. Payroll XE and XC transactions; and V. CT transactions.

II. DEPOSITING CHECKS/SWEEP ACCOUNTS

Receipts and checks associated with ER's, CB's, AR's, PCRS XE's, and PCRS XC's should be deposited in the departmental sweep account. This account is usually associated with a revenue budget in MMARS Fund 699. Checks should not be forwarded to the Treasurer's office.

III. NON-PAYROLL ER, CB, AND AR TRANSACTIONS

For non-payroll ER, CB, and AR transactions, complete the following paperwork and forward to the Treasurer:

- 1. A copy of the deposit transaction.
- 2. A memo stating:
 - Date of deposit
 - Total amount of deposit
 - Name and branch of bank
 - Bank account number
- 3. A negative cash deposit form (CD) with the following sweep deposit information:
 - Fund
 - Department
 - Org
 - Revenue Source
 - Amount of deposit
- 4. A copy of the MMARS ER, CB, or AR document.

Office of the State Treasurer One Ashburton Place 12th Floor Boston, MA 02108 ATTN.: Cash Management

IV. PAYROLL XE AND XC TRANSACTIONS

For payroll XE, and XC transactions, complete the following paperwork and forward to the Retirement Board:

- 1. A negative cash deposit form (CD) with the following sweep deposit information:
 - Fund
 - Department
 - Org
 - Revenue Source
 - Amount of deposit
- 2. A signed screen copy of the PCRS adjustment transaction.
- 3. Three (3) copies of a Payroll Refund Receipt Voucher.

Retirement Board One Ashburton Place 12th Floor Boston, MA 02108

V. CASH TRANSFER (CT) TO FUND 100 – FEDERAL GRANT FUND

The Cash Management Improvement Act eliminated the need for departments to process any transactions related to handling cash receipts from the Federal Government. Exceptions to this are:

- 1. Department receives check(s) from the Federal Government.
 - When this happens, departments should:
 - Deposit the check(s) in the department's sweep account in Fund 699.
 - Enter a CT in MMARS.
 - Quick edit the document. (The only remaining error message should be "CT not allowed for fund 100".)
 - Mail or fax a copy of the CT to the Comptroller's Office.
- 2. Transfer cash between accounts in Fund 100.

When this happens, departments need to:

- Enter a CT in MMARS.
- Quick edit the document. (The only remaining error message should be "CT not allowed for fund 100".)
- Compose a letter stating why the adjustment is necessary.
- Mail or fax a copy of the CT and letter to the Comptroller's Office.

NOTE: The Comptroller's Office will do the final CT processing.

Office of the Comptroller One Ashburton Place 9th Floor Boston, MA 02108 Fax: 617-727-2163

ATTN.: Bob McDonald